

FISCAL NOTE

SB 2247 - HB 2377

March 12, 2004

SUMMARY OF BILL: Requires the Department of Labor and Workforce Development to collect information from quarterly wage reports on whether employers offer insurance to employees. The information is to be forwarded to the TennCare Bureau to use in administering the TennCare program. The Department of Commerce and Insurance is to consult with the TennCare Bureau and establish a rule defining health insurance.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$113,850 Recurring
\$211,000 One-Time**

**Other Fiscal Impact - Increase Federal Expenditures - \$113,850 Recurring
\$211,000 One-Time**


Bill may result in decreased expenditures to the TennCare program as a result of detecting enrollee fraud. The amount of such reduction cannot be determined but is estimated to exceed \$100,000.

Estimate assumes:

- Expenditures in the Department of Labor and Workforce Development for computer system changes to enable the quarterly Wage Report to capture additional data and staff time required to process the reports. Current efforts processing unemployment wage data by the department are 100% federally funded. This program would not be eligible for federal funding in the Department of Labor and Workforce Development.
- Federal cost sharing in the TennCare Bureau would pay for these expenditure on a 50/50 basis as are other TennCare administrative expenses.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

SB 2247 - HB 2377